Mercedes-Benz

Mercedes-Benz USA, LLC
A Daimler Company

Ms. Marlene H. Dortch, Secretary
Federal Communications Commission
445 Twelfth Street, NW
Washington, DC 20554

RE: Written Ex Parte Presentation in IB Docket No. 95-91,
WT Docket No. 07-293, and GN Docket Nos. 09-47, 09-51, and 09-137

Dear Ms. Dortch:

As the FCC continues its deliberations on the matter of modifying the technical specifications for the 2.3 GHz Wireless Communications Service (WCS), Mercedes-Benz USA, LLC (MBUSA), on behalf of our parent company, Daimler AG, has concerns on any WCS rule changes and its impact regarding our steady deployment of Satellite Digital Audio Radio Service (SDARS). Also, we support the comments filed by the two main US automotive trade associations, the Alliance of Automobile Manufacturers (Alliance),"[1] and the Association of International Automobile Manufacturers (AIAM)[2].

Despite the marketplace challenges faced by the automobile industry, satellite radio still remains extremely popular with automobile buyers. A large percentage of our new vehicles are currently already shipped with a satellite radio installed. Currently there are **over 800,000 Mercedes-Benz vehicles** with SDARS already on the road. We expect this number to double in the very near future as the automobile industry continues to grow with the overall US economy. Our customers enjoy the variety of programming as well as the high-quality audio that satellite radio offers and expect the value that satellite radio provides given these economic times.

As the FCC moves ahead in crafting its National Broadband Plan, we understand the importance of identifying additional spectrum to help satisfy the country's broadband needs. However, the FCC should not try to meet that need by changing rules for the 2.3 GHz WCS to allow mobile transmissions in that band. Operating on frequencies immediately adjacent to millions of satellite radios, WCS transmissions would create a significant potential risk of interferences to in-vehicle reception.

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[1] The Alliance is a trade association whose members are: BMW Group, Chrysler Group LLC, Ford Motor Company, General Motors LLC, Jaguar Land Rover, Mazda, Mercedes-Benz USA, Mitsubishi Motors, Porsche, Toyota, and Volkswagen.

[2] The AIAM is a trade association members are: Aston Martin, Advios, Bosch, Delphi, Denso, Ferrari, Maserati, Honda, Hyundai, Isuzu, JAMA, Kia, Mahindra, Mitsubishi Motors, McLaren Automotive, Nissan, Peugeot, Subaru, Suzuki, and Toyota.

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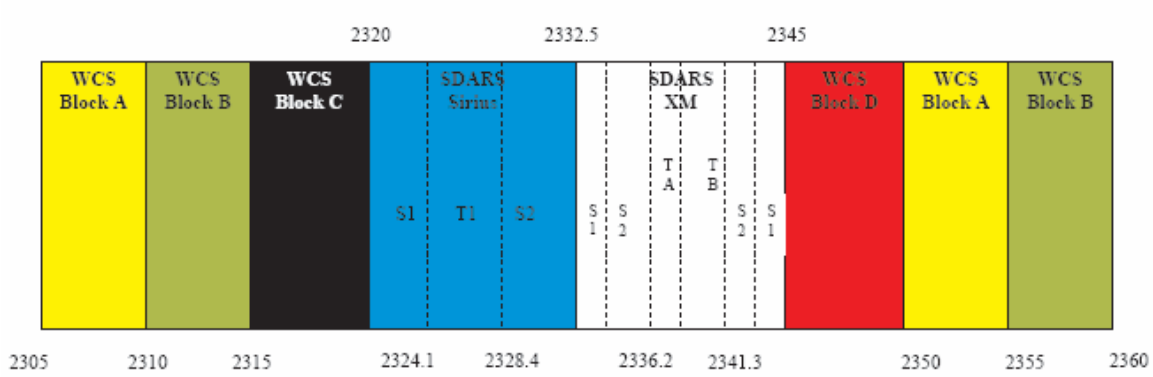

The FCC's proceeding to modify the technical specifications for the 2.3 GHz Wireless Communications Service ("WCS") is critical to us and other automakers. Operating on frequencies immediately adjacent to millions of satellite radios, WCS devices are a serious potential source of interference to in-vehicle reception. The proposed rule significantly elevates this risk by facilitating mobile WCS devices – a use that was specifically discouraged due to interference concerns when WCS licenses were auctioned by the FCC.

We urge the FCC to be cautious and ensure that satellite radio is not degraded by changing the established rules for WCS operations. Sirius XM Radio has spent billions of dollars developing networks that are based on the understanding that mobile WCS devices would not interfere. MBUSA had this same understanding since we have already deployed over 800,000 vehicles with this technology. Unlike cell phones, automobiles are not discarded every year or two – these satellite radios will remain operational and in circulation for years to come.

Any loosening of the WCS rules must not cause interference to satellite radio consumers. This is, of course, one of the FCC's primary statutory obligations, and we expect that the Commission will execute its role with appropriate technical diligence. Satellite radio is unique among FCC-regulated entities and requires different levels of protection from that provided to cell phones. We ask that the Commission keep in mind the following facts:

- Satellite radio represents an extremely dense concentration of customers in a narrow frequency band (nearly 40 million listeners in 25 MHz, listening over 20 hours per weeks on average), thus amplifying the impact of any interference or signal degradation.

- Unlike cell phone service where momentary blips or degradation are easily overcome, satellite radio provides high-quality audio and music where drop-outs and interruptions are neither expected nor tolerated by subscribers, in large part because competing audio services typically provide error-free service.

- Satellite radio originates from space-based platforms that provide a relatively low-powered signal to receivers tens of thousands of miles away (thus necessitating receivers more susceptible to impairment from out-of-band emissions). The satellite signal strength can not be augmented or increased by terrestrial means in most areas of the country.

- Unlike mobile handheld devices, most satellite radio antennas are located on top of vehicles and are typically unshielded (thus providing less protection from sources of interference).

- Unlike cell phones, satellite radios do not use spread spectrum technologies which inherently reduce the impact of interference data packets (thus presenting a signal overload threshold lower than the typical cell phones).

Taking into account these differences – and others – distinguishing satellite radio from the FCC's recent analysis on the interference potential between Advanced Wireless Service ("AWS") devices, the result in the AWS proceeding does not support the Part 27 rule changes proposed by the WCS Coalition. We fully endorse the comments previously filed by Sirius-XM, as well as from the Alliance and AIAM.

Again, we urge you to consider these facts before you decide these proceedings and ensure that the actions you take fully protect the millions of our consumers who currently rely on satellite radio.

MBUSA will continue to review the docket in this proceeding and we appreciate the Commission's consideration of our comments regarding this matter.

Respectfully Submitted,

Frank J. Diertl
General Manager
Engineering Services

Anthony P. La Spada
Associate General Counsel
& Assistant Secretary

February 25, 2010

cc: The Honorable Julius Genachowski, Chairman
The Honorable Michael J. Copps
The Honorable Robert M. McDowell
The Honorable Mignon Clyburn
The Honorable Meredith Attwell Baker
Mr. Julius Knapp
Mr. Blair Levin